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In re Patent No. 6,136,063 :
Issue Date: October 24, 2000 :
Application No. 09/033,827 :
Filed: March 3, 1998 :
Attorney Dkt. No. : CXU-272 :
For: PROCESS FOR SEPARATING :
HAZARDOUS METALS FROM WASTE :
MATERIALS DURING VITRIFICATION :

ON PETITION

This is a decision on the petition under 37 CFR 1.378(b), filed May 21, 2012, to accept the unavoidably delayed payment of a maintenance fee for the above-identified patent.

The petition is **DISMISSED**.

If reconsideration of this decision is desired, a petition for reconsideration under 37 CFR 1.378(e) must be filed within TWO (2) MONTHS from the mail date of this decision. No extension of this 2-month time limit can be granted under 37 CFR 1.136(a) or (b). Any such petition for reconsideration must be accompanied by the petition fee of \$400 as set forth in 37 CFR 1.17(f). The petition for reconsideration should include an exhaustive attempt to provide the lacking item(s) noted below, since, after a decision on the petition for reconsideration, the Director will undertake no further reconsideration or review of the matter. This includes statements by all persons with direct knowledge of the cause of the delay, setting forth the facts, as they know them. If a request for reconsideration is filed, it must establish that the entire delay in the submission of the maintenance fee was unavoidable.

The patent issued October 24, 2000. The 7.5 year maintenance fee could have been paid from October 24, 2007 to April 23, 2008, or with a surcharge during the period from April 24, 2008 to October 24, 2008. Petitioner did not do so. Accordingly, the patent expired October 25, 2008.

A petition to accept the delayed payment of a maintenance fee under 35 USC 41(c) and 37 CFR 1.378(b) must be accompanied by (1) an adequate showing that the delay was unavoidable, since reasonable care was taken to insure that the maintenance fee would be paid timely, (2) payment

of the appropriate maintenance fee, unless previously submitted, and (3) payment of the surcharge set forth in 37 CFR 1.20(i)(1). This petition lacks item (1) above.

A petition under 37 CFR 1.378(b) for the acceptance of an unavoidably delayed payment of maintenance fee is considered under the same standard as that for reviving an application unavoidably abandoned under 37 CFR 1.137(a) because 35 U.S.C. § 41(c)(1) uses the identical language, *i.e.*, "unavoidable" delay.¹ Decisions reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable.² In addition, decisions on revival are made on a "case-by-case basis, taking all the facts and circumstances into account."³ Finally, a petition to revive an application as unavoidably abandoned cannot be granted where a petitioner has failed to meet his or her burden of establishing the cause of the unavoidable delay.⁴

The general standard applied by the Office requires petitioner to establish that petitioner treated the patent the same as a reasonable and prudent person would treat his or her most important business.⁵ However, "the question of whether an applicant's delay in prosecuting an application was unavoidable [will] be decided on a case by case basis, taking all of the facts and circumstances into account".⁶ Nonawareness of the content of, or misunderstanding of PTO statutes, PTO rules, the MPEP or Official Gazette notices, do not constitute unavoidable delay.⁷ The statute requires a "showing" by petitioner. Therefore, petitioner has the burden of proof.

The word 'unavoidable' ... is applicable to ordinary human affairs, and requires no more or greater care or diligence than is generally used and observed by prudent and careful men in relation to their most important business.⁸

¹ Ray v. Lehman, 55 F.3d 606, 608-09, 34 USPQ2d 1786, 1787 (Fed. Cir. 1995)(quoting In re Patent No. 4,409,763, 7 USPQ2d 1798, 1800 (Comm'r Pat. 1988)).

² Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (Comm'r Pat. 1887) (the term "unavoidable" "is applicable to ordinary human affairs, and requires no more or greater care or diligence than is generally used and observed by prudent and careful man in relation to their most important business"); In re Mattullath, 38 App. D.C. 497, 514-15 (D.C. Cir. 1912); Ex parte Henrich, 1913 Dec. Comm'r Pat. 139, 141 (Comm'r Pat. 1913).

³ Smith v. Mossinghoff, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982). (citing Potter v. Dann, 201 U.S.P.Q. (BNA) 574 (D.D.C. 1978) for the proposition that counsel's nonawareness of PTO rules does not constitute unavoidable delay); Vincent v. Mossinghoff, 1985 U.S. Dist. Lexis 23119, 13 230 U.S.P.Q. (BNA) 621 (D.D.C. 1985) (Plaintiffs through their counsel's actions or their own must be held responsible for having noted the MPEP section and Official Gazette notices expressly stating that the certified mailing procedures outlined in 37 CFR 1.8(a) do not apply to continuation applications).

⁴ Haines v. Quigg, 673 F. Supp. 314, 5 USPQ2d 1130 (N.D. Ind. 1987).

⁵ The Commissioner is responsible for determining the standard for unavoidable delay and for applying that standard 35 U.S.C. 41(c)(1) states, "The Commissioner may accept the payment of any maintenance fee...at any time...if the delay is shown to the satisfaction of the Commissioner to have been unavoidable (emphasis added).

⁶ Smith v. Mossinghoff, 671 F.2d at 533.

⁷ *Id.* at 538.

⁸ In re Mattullath, 38 App. D.C. 497, 514-15 (1912)(quoting Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (1887)); see also Winkler v. Ladd, 221 F. Supp. 550, 552, 138 U.S.P.Q. 666, 167-68 (D.D.C. 1963), *aff'd*, 143 U.S.P.Q. 172 (D.C. Cir. 1963); Ex parte Henrich, 1913 Dec. Comm'r Pat. 139, 141 (1913).

PETITIONER'S ARGUMENT

- The instant petition was filed on behalf of assignee AJT Enterprises. AJT Enterprises states that the instant patent was previously co-owned with assignee Clemson University.
- Assignee AJT Enterprises states that an agreement between Clemson University and AJT Enterprises provided that Clemson was responsible for paying maintenance fees. Purportedly, the agreement stated if Clemson University decided not to contribute its share of costs for maintaining the patent after issuance, Clemson University was to notify AJT Enterprises and to grant AJT Enterprises sole ownership.
- Assignee AJT Enterprises states that Clemson University failed to pay the maintenance fee and failed to notify AJT Enterprises of its intention to not pay the maintenance fee.
- AJT Enterprises discovered the fee was not paid through their own findings. AJT Enterprises contacted Clemson University. AJT Enterprises contends that the petition was immediately and promptly filed upon discovery.
- AJT Enterprises submits that it reasonably relied on Clemson University to pay the maintenance fees and maintain the patent because Clemson University owns an extensive patent portfolio and their sophistication in patent matters.
- AJT Enterprises states it was reasonable to rely upon Clemson University to maintain a docket of due dates for maintenance fees and to either pay the maintenance fees on time or notify assignee of its intention not to pay the maintenance fee.
- AJT Enterprises states the petition was filed after Clemson University formally responded to the inquest. Clemson University signed an agreement on April 9, 2012 giving AJT Enterprises full and sole ownership of the residual rights of the patent.
- The petition is accompanied by a declaration of Gerald Addison, Chief Operating Officer of AJT Enterprises.
- On petition, petitioner has provided the 7.5 and 11.5 year maintenance fees.

APPLICATION OF THE UNAVOIDABLE STANDARD

Petitioner's arguments have been considered but are not persuasive. In general a grantable petition under 37 CFR 1.378 (b) must show 1) petitioner knew of the need to make the maintenance fee payment, 2) implemented a reliable docketing system to track the relevant dates 3) treated the payment of the maintenance fee (and later the filing of a petition to reinstate) as his

most important business 4) was prevented from making the payment and 5) must show the entire delay in making the payment and submitting a grantable petition was unavoidable.

In essence, petitioner must show that he was aware of the need to pay the maintenance fee, and to that end was tracking it, or had engaged someone to track it before the expiration, but when the fee came due, was "unavoidably" prevented from making the maintenance fee payment due. In determining whether a delay in paying a maintenance fee was unavoidable, one looks to whether the party responsible for payment of the maintenance fee exercised the due care of a reasonably prudent person. Ray, 55 F3d at 608-609, 34 USPQ2d at 1787. It is incumbent upon the patent owner to implement steps to schedule and pay the fee, or obligate another to do so. See California Medical Products v. Technol. Med. Prod., 921 F.Supp 1219, 1259 (D. Del. 1995). That is, 37 CFR 1.378(b)(3) requires a showing of the steps in place to pay the maintenance fee, and the record currently lacks a showing that any steps were emplaced by petitioner or anyone else. In the absence of a showing that petitioner or anyone else was engaged in tracking the maintenance fee due dates, and that party had in fact been tracking the due dates with a reliable tracking system, such as would be used by prudent and careful men in relation to their most important business, petitioner cannot reasonably show that the delay was unavoidable delay. In re Katrapat, 6 USPQ2d 1863, 1867-1868 (Comm'r Pat. 1988); California, supra.

When determining whether a delay in paying a maintenance fee is unavoidable, the Office looks at whether the party responsible for payment of the maintenance fee exercised the due care of a reasonably prudent person.⁹ Although the petition and the declaration of Gerald Addison state that a Clemson University maintains a docketing system, no evidence about the docketing system and whether the instant patent was ever entered into the docketing system. Based on the lack of evidence provided regarding the docketing system purportedly used, the Office cannot make a determination as to whether any system which may have been used was reliable and that is was reasonable to rely on this system.

It is solely the responsibility of the patentee to ensure that the maintenance fee is paid timely to prevent expiration of the patent. Failure to monitor the status of a patent does not reflect the due care and diligence employed by a prudent and careful person with respect to their most important business and as such cannot demonstrate that the delay was unavoidable delay. The record lacks any showing that assignees Clemson University and AJT Enterprises took any action to prevent the expiration of the patent. Further, no evidence has been provided to establish that Clemson University ever informed patentee that they would be responsible for tracking the maintenance fee due dates. The petition and declaration make mention of an agreement but a copy of the agreement has not been provided. It should further be noted that as Clemson University was and according to PTO records continues to be an assignee of the instant patent, the actions and inactions of Clemson University are germane to establish that the entire delay in filing the maintenance fee was unavoidable. Further there is no indication that Clemson University informed AJT Enterprises that they paid the maintenance or that AJT Enterprises ever presented Clemson with the maintenance fees or a portion thereof.

⁹ See Kim v. Quigg, 718 F. Supp 1280,1284 12 USPQ2d 1604, 1607(E.D. Va 1989).

The Office looks to the actions or inactions of duly authorized and voluntarily chosen representatives of the applicant/patentee and their successors, and the applicant/patentee and their successors are bound by the consequences of those actions or inactions. *Link v. Wabash*, 370 U.S. 626, 633-34 (1962). In this instance it appears that Clemson University decided not to pay the maintenance fees. As such AJT Enterprises is bound by those actions and inactions of Clemson University. It is further noted that a statement/declaration which explains the delay in submitting the maintenance fee has not been provided.

In the absence of a showing that any steps had been taken, then 37 CFR 1.378(b) precludes acceptance of the payment. In other words, if no steps were taken by AJT Enterprises to track the fee payment, then the subsequent delay is immaterial. The showing must be that when the system indicated the fee fell due, petitioner was "unavoidably" prevented from taking any earlier action with respect to this patent.

Accordingly, the facts presented do not allow for a finding of unavoidable delay.

When filing documentation in support of applications or petitions, please take steps to protect all personal information. "Personal information" includes social security, credit card and banking account numbers. This type of personal data is never required by the USPTO to support a petition or application. To protect your privacy, we suggest that you delete such information from any documentation you send the office.

Petitioner's current options

I. Petitioner may file a request for reconsideration.

Any request for reconsideration of this decision must be filed within **TWO MONTHS** of the mailing date of this decision. Any such petition for reconsideration must be accompanied by the \$400 petition fee set forth in §1.17(h). After decision on the petition for reconsideration, no further reconsideration or review of the matter will be undertaken by the Director. Accordingly, on request for reconsideration, it is extremely important the petitioner supply **any** and **all** relevant information and documentation in order to meet his burden of showing unavoidable delay. This includes statements by all persons with direct knowledge of the cause of the delay, setting forth the facts as they know them. If a request for reconsideration is filed, it must establish that the entire delay in the submission of the maintenance fee was unavoidable.

II. Petitioner may request a refund of the maintenance fee and surcharge which accompanied the petition.

Petitioner may request a refund of the maintenance fee and surcharge by writing to the Office of Finance, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313. A copy of this decision should accompany petitioner's request.

Further correspondence with respect to this matter should be addressed as follows:

By Mail: Mail Stop PETITION
 Commissioner for Patents
 Post Office Box 1450
 Alexandria, VA 22313-1450

By Hand: U. S. Patent and Trademark Office
 Customer Service Window, Mail Stop Petitions
 Randolph Building
 401 Dulany Street
 Alexandria, VA 22314

The centralized facsimile number is (571) 273-8300.

Correspondence regarding this decision may also be filed through the electronic filing system of the USPTO.

Telephone inquiries should be directed to the undersigned at (571) 272-3215.

A handwritten signature in black ink, appearing to read 'Charlema Grant', with a stylized flourish at the end.

Charlema Grant
Attorney Advisor
Office of Petitions